GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4383
ANSWERED ON:17.12.2002
PRICES OF DE CONTROLLED DRUGS
CHANDRA BHUSHAN SINGH;P.R. KHUTE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the system being followed by NPPA for monitoring the prices of de-controlled drugs;

(b) whether it is a fact that NPPA has issued notices to companies on the pricing of decontrolled formulation;

(c) if so, the names of the companies, name of the medicine and the prices being charged therefor;

(d) the criteria for sending notices and upto what level the price increase is justified by NPPA;

(e) whether it is a fact that the Government propose to remove certain drugs out of the purview of the National Pharmaceutical Pricing Authority;

(f) if so, the details thereof;

(g) whether the National Pharmaceutical Pricing Authority has also received many requeststo keep some of the drugs out of the purview of it; and

(h) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI TAPAN SIKDAR)

(a) to (d) : As part of its price monitoring activity, NPPA regularly examines the movement in prices of non Scheduled formulations which have a minimum sale value of Rs.1 crore per annum in trade channel. The monthly reports of M/s ORG MARG, M/s IMS and the information furnished by individual manufacturers are utilized for this purpose. Wherever, at a time price increase over 20% is noted, letters are sent to the manufacturers of such formulations to clarify the reasons for effecting such price increases. Clarifications are also sought in respect of formulations where frequent price increases are noticed. This is an ongoing process and letters are sent to all manufacturers uniformly.

(e) to (h) : Currently, Price control on Drugs is in accordance with the criteria laid down in 'Modifications in Drug Policy,1986', announced in September,1994. The Govt. had announced the Pharmaceutical Policy-2002 in February,2002.

However, a Public Interest Litigation in Karnataka High Court has resulted in an order dated 12.11.2002 which stops the Government from implementing the price control regime of the Pharmaceutical Policy-2002.